

-SUBLEASE

THIS LEASE executed as of the 1<sup>ST</sup> day of March, 1976, by and between KAISER GYPSUM COMPANY, INC., (hereinafter called "Sublessor") and PRO LINE <sup>PRODUCTS,</sup> /INC. (hereinafter called "Sublessee"), who, in consideration of the terms, covenants and conditions herein contained, hereby covenant and agree as follows:

ARTICLE A. SUBLEASE; TERM; RENT; OPTION

Section A-1. Sublessor hereby leases to Sublessee and Sublessee hereby hires from Sublessor at the rental and upon the terms and conditions hereinafter set forth that certain real property and building thereon located at First Avenue South and Front Street, Seattle, Washington, leased by Sublessor under that certain Lease dated March 24, 1969, as amended by Amendment to Lease dated March 1, 1976, between John V. Farrell, LeeAnn Farrell, Frank Lenci and Ruth Lenci as the present Lessors and Sublessor as Lessee (hereinafter called "the Lease"). Attached as Exhibit "A" is legal description of the real property which is the subject matter of the Lease and this Sublease. Sublessee acknowledges receipt of a copy of the Lease. The provisions of the Lease are incorporated herein by this reference. The premises which are the subject matter of the Lease and this Sublease are sometimes referred to herein as the "Leased Premises".

Section A-2. The terms of this Sublease shall commence March 1, 1976, and terminate on April 29, 1979.

Section A-3. Sublessee agrees to pay Sublessor as rent for the Leased Premises the same amount that is to be paid as rent by the Lessee under the Lease and further agrees to pay such rental amount directly to the Lessors under the Lease or to such other party or parties that Sublessor may hereafter direct upon written notice to Sublessee.

Section A-4. Sublessee shall perform and observe all of the obligations and covenants of the Lessee under the Lease.

Section A-5. If Sublessee performs and observes all of the obligations and covenants of the Lessee under the Lease through February 1, 1979, Sublessee may exercise the option set forth in Section A-2 of the Lease. Paragraph 6 of the Amendment to Lease dated March 1, 1976 provides in part that:

"Lessor further agrees that if Sublessee has faithfully performed and observed all such obligations and covenants, Lessor shall allow Sublessee to exercise the option to extend the term of the Lease contained in Section A-2 on Sublessee's own behalf, and Lessee shall have no further obligations to Lessor arising out of any such extension of the Lease Term."

Sublessee will give Sublessor 15 days prior written notice of its intention to exercise said option and give Sublessor a copy of Sublessee's notice to Lessor pursuant to Section A-2 of the Lease simultaneously with the giving of such notice to Lessor. If Sublessee exercises said option, the term of this Sublease will be extended to April 30, 1979.

ARTICLE B. OTHER AGREEMENT BETWEEN PARTIES

Reference is made to Agreement of Sale of Personal Property dated March 1 , 1976, between Sublessor as Seller and Sublessee as Buyer. Any noncompliance, nonperformance or other default of Buyer's agreements or affirmations under or emanating from the Agreement of Sale of Personal Property or promissory notes referred to therein shall constitute a default under this Sublease.

ARTICLE C. TERMINATION OF LEASE - DEFAULT

Section C-1. In the event that Sublessee shall fail or neglect to do or perform any act or thing herein provided by it to be done or performed, and such failure shall continue for a period of fifteen (15) days after written notice from Sublessor specifying the nature of the act or thing to be done or performed, then and in any such event, unless Sublessee shall have commenced promptly after receipt of such notice to rectify such default and shall prosecute the same with diligence and continuity to completion, Sublessor shall have the right at its option, upon written notice to Sublessee forthwith to terminate this Sublease and all rights of Sublessee hereunder shall thereupon cease and Sublessor without further notice to Sublessee shall have the right immediately to enter into and upon the Leased Premises and take possession thereof without incurring any liability to Sublessee or to any

persons occupying or using the Leased Premises for any damage caused or sustained by reason of such entry upon the Leased Premises, all without any prejudice to any rights and remedies which Sublessor may have for default either under this Sublease or under the laws of the State of Washington, or otherwise.

Section C-2. All remedies conferred upon Sublessor shall be deemed cumulative and no one exclusive of the other or any other remedy conferred by law.

Section C-3. If Sublessor fails or neglects for any reason to take advantage of any of the terms hereof providing for the termination of this Sublease, or if Sublessor, having the right to declare this Sublease terminated, shall fail to do so, any such failure or neglect of Sublessor shall not be or be deemed to be a waiver of any of the covenants, terms or conditions of this Sublease or of the performance thereof, and none of the covenants, terms or conditions of this Sublease or of the performance thereof can be waived except by the written consent of Sublessor, nor can this Sublease be amended or modified in any respect except by an instrument in writing executed by both Sublessor and Sublessee.

#### ARTICLE D. MISCELLANEOUS

Section D-1. If any action at law or in equity shall be brought to enforce or interpret any of the covenants, terms or

-conditions of this Sublease, or for the recovery of the possession of the Leased Premises, the prevailing party shall be entitled to recover from the other party as a part of prevailing party's costs a reasonable attorney's fee, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

Section D-2. All notices, demands or other writings to be given, made or sent hereunder, or which may be so given or made or sent by either party hereto to the other, shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, registered and postage prepaid, and addressed to the respective parties as follows:

Sublessee	Products, Pro Line/ Inc. P. O. Box 407 14960 N.E. 90th Redmond, Washington 98052
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Sublessor	Kaiser Gypsum Company, Inc. 300 Lakeside Drive Oakland, California 94604 Attention: Controller
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The address to which any notice, demand or other writing may be given or made or sent to either party may be changed upon written notice given by such party as above provided.

Section D-3. Sublessee shall not assign, mortgage or pledge this Sublease, nor sub-sublet the Leased Premises, or any part thereof, without the written consent of the Sublessor first had and obtained.

Section D-4. Time is hereby expressly declared to be of the essence of this Sublease and of each and every covenant, term, condition and provision hereof.

Section D-5. Wherever in this Sublease Sublessor's written consent or approval is required, Sublessor agrees that such consent or approval shall not be unreasonably withheld.

Section D-6. The language in all parts of this Sublease shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against either Sublessor or Sublessee. The Article headings in this Sublease are for convenience only and are not to be construed as a part of this Sublease or in any way limiting or amplifying the provisions hereof.

Section D-7. This Sublease and the covenants and conditions herein contained shall be binding upon and shall inure to the benefit of and shall apply to the respective successors and assigns of Sublessor and Sublessee and all references in this Lease to "Sublessee" shall be deemed to refer to and include successors and assigns of Sublessee without specific mention of such successors and assigns.

Section D-8. Sublessee agrees to indemnify Sublessor against and save Sublessor harmless from all demands, claims, causes of action or judgments and all reasonable expenses incurred in investigating or resisting the same, for injury to persons, loss of life or damage to property arising out of Sublessee's use or occupancy of the Leased Premises except if caused by the act of

negligence of Sublessor, its contractors, agents or employees. Sublessee shall obtain and maintain comprehensive general liability insurance with limits of \$500,000 for one person, \$1,000,000 for multiple persons and \$500,000 for property damage, or such other limits as Sublessor may approve, naming Sublessor as an additional insured and provide a certificate evidencing such insurance. Such insurance may not be cancellable without ten (10) days prior notice to Sublessor.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their duly authorized officers as of the date first set forth hereinabove.

Sublessor

( KAISER GYPSUM COMPANY, INC.  
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(  
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(  
( By D. C. Hahn  
MGR. TECH SERVICES

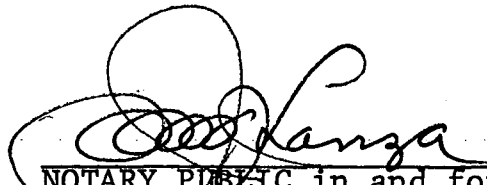
Sublessee

( PRODUCTS,  
( PRO LINE /INC.  
(  
(  
( By [Signature] PRESIDENT

STATE OF WASHINGTON     )  
                                  ) ss.  
COUNTY OF KING         )

On this 27 day of February, 1976 before me personally appeared P. A. Hawkins, to me known to be the Mgr. Tech. Services of the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

Given under my hand and official seal the day and year in this certificate above written.

  
NOTARY PUBLIC in and for the State  
of Washington, residing at Seattle